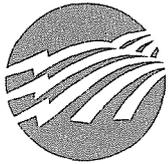


ORIGINAL



Big Sandy Rural Electric
Cooperative Corporation

504 11th Street
Paintsville, Kentucky 41240-1422
(606) 789-4095 • Fax (606) 789-5454
Toll Free (888) 789-RECC (7322)

RECEIVED

MAR 31 2011

PUBLIC SERVICE
COMMISSION

March 31, 2011

Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

HAND DELIVERED

Dear Mr. Derouen:

Pursuant to Commission Order in Case No. 2008-00128 dated August 20, 2008, attached for filing is an original and six copies of a updates to Big Sandy RECC's Tariff for Qualified Cogeneration and Small Power Production Facilities.

Very truly yours,

A handwritten signature in black ink, appearing to read "David Estep", written over a horizontal line.

David Estep
President & General Manager

Enclosures

P.S.C. KY NO. 8

CANCELS P.S.C. KY NO. 7

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION
OF
PAINTSVILLE, KENTUCKY

RATES, RULES, AND REGULATIONS FOR PURCHASING
ELECTRIC POWER AND ENERGY
AT
VARIOUS LOCATIONS THROUGHOUT KENTUCKY
FROM
QUALIFIED COGENERATION AND
SMALL POWER PRODUCTION FACILITIES

FILED WITH THE PUBLIC SERVICE COMMISSION
OF KENTUCKY

ISSUED March 31, 2011

EFFECTIVE June 1, 2011

ISSUED BY BIG SANDY RURAL ELECTRIC COOPERATIVE
CORPORATION

BY



David Estep
President and General Manager

BIG SANDY RURAL ELECTRIC COOPERATIVE CORP.

COGENERATION AND SMALL POWER PRODUCTION
POWER PURCHASE RATE SCHEDULE OVER 100 kW

AVAILABILITY

Available only to qualified cogeneration or small power production facilities with a design capacity of over 100 kW which have executed a contract with Big Sandy RECC and EKPC for the purchase of electric power by Big Sandy RECC.

RATES

The rates set forth below shall be used as the basis for negotiating a final purchase rate with qualifying facilities pursuant to Section 7 of 807 KAR 5:054.

1. Capacity

- a. \$41.15 per kW per year is applicable if cogenerator or small power producer is dispatched by Big Sandy RECC. (R)
- b. \$0.00526 per kWh is applicable if cogenerator or small power producer is not dispatched by Big Sandy RECC. (R)

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	Winter		Summer		
	On-Peak	Off-Peak	On-Peak	Off-Peak	
2011	\$0.03630	\$0.03270	\$0.03860	\$0.02742	(R)
2012	\$0.04281	\$0.03716	\$0.04829	\$0.03319	(R)
2013	\$0.04914	\$0.04157	\$0.05163	\$0.03548	(R)
2014	\$0.05434	\$0.04598*	\$0.05622	\$0.03879	(R) (I)*
2015	\$0.05991	\$0.05156	\$0.06081	\$0.04225	(N)

b. Non-Time Differentiated Rates:

Year	2011	2012	2013	2014	2015	
Rate	\$0.03407	\$0.04056	\$0.04488	\$0.04935	\$0.05430*	(R) (N)*

DATE OF ISSUE March 31, 2011

DATE EFFECTIVE June 1, 2011

ISSUED BY David Estep

TITLE President & General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

BIG SANDY RURAL ELECTRIC COOPERATIVE CORP.

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

On-Peak 7:00 a.m. - 12:00 noon
5:00 p.m. - 10:00 p.m.

Off-Peak 12:00 noon - 5:00 p.m.
10:00 p.m. - 7:00 a.m.

Summer (May - September)

On-Peak 10:00 a.m. - 10:00 p.m.

Off-Peak 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to Big Sandy RECC.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for Big Sandy RECC and EKPC.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse Big Sandy RECC and EKPC for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

DATE OF ISSUE March 31, 2011

DATE EFFECTIVE June 1, 2011

ISSUED BY David Estep

TITLE President & General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

BIG SANDY RURAL ELECTRIC COOPERATIVE CORP.

6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
 - a. Public Liability for Bodily Injury - \$1,000,000.00
 - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

DATE OF ISSUE March 31, 2011

DATE EFFECTIVE June 1, 2011

ISSUED BY David Estep

TITLE President & General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

BIG SANDY RURAL ELECTRIC COOPERATIVE CORP.

COGENERATION AND SMALL POWER PRODUCTION
POWER PURCHASE RATE SCHEDULE
LESS THAN 100 kW

AVAILABILITY

Available only to qualified cogeneration or small power production facilities with a design capacity of less than 100 kW which have executed a contract with Big Sandy RECC and EKPC for the purchase of electric power by Big Sandy RECC

RATES

1. Capacity

- a. \$41.15 per kW per year is applicable if cogenerator or small power producer is dispatched by Big Sandy RECC. (R)
- b. \$0.00526 per kWh is applicable if cogenerator or small power producer is not dispatched by Big Sandy RECC. (R)

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	<u>Winter</u>		<u>Summer</u>		
	On-Peak	Off-Peak	On-Peak	Off-Peak	
2011	\$0.03630	\$0.03270	\$0.03860	\$0.02742	(R)
2012	\$0.04281	\$0.03716	\$0.04829	\$0.03319	(R)
2013	\$0.04914	\$0.04157	\$0.05163	\$0.03548	(R)
2014	\$0.05434	\$0.04598*	\$0.05622	\$0.03879	(R) (I)*
2015	\$0.05991	\$0.05156	\$0.06081	\$0.04225	(N)

b. Non-Time Differentiated Rates:

Year	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	
Rate	\$0.03407	\$0.04056	\$0.04488	\$0.04935	\$0.05430*	(R) (N)*

DATE OF ISSUE March 31, 2011

DATE EFFECTIVE June 1, 2011

ISSUED BY David Estep

TITLE President & General Manager

BIG SANDY RURAL ELECTRIC COOPERATIVE CORP.

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

On-Peak 7:00 a.m. - 12:00 noon
5:00 p.m. - 10:00 p.m.

Off-Peak 12:00 noon - 5:00 p.m.
10:00 p.m. - 7:00 a.m.

Summer (May - September)

On-Peak 10:00 a.m. - 10:00 p.m.

Off-Peak 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to Big Sandy RECC.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for Big Sandy RECC and EKPC.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse Big Sandy RECC and EKPC for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

DATE OF ISSUE March 31, 2011

DATE EFFECTIVE June 1, 2011

ISSUED BY David Estep

TITLE President & General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

BIG SANDY RURAL ELECTRIC COOPERATIVE CORP.

6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
 - a. Public Liability for Bodily Injury - \$1,000,000.00
 - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

DATE OF ISSUE March 31, 2011

DATE EFFECTIVE June 1, 2011

ISSUED BY David Estep

TITLE President & General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008